

January 20, 2004

Honorable Jaclyn A. Brillling, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

RE: MTA Surcharge Factors

Dear Secretary Brillling:

The enclosed revised Statements issued by New York State Electric & Gas Corporation ("NYSEG" or the "Company"), are transmitted for filing in compliance with the requirements of the Public Service Commission ("Commission"), State of New York.

TSF Statement No. 12	to PSC No. 87 – Gas
TSF Statement No. 12	to PSC No. 88 - Gas

Effective February 4, 2004

The above Tax Surcharge Factor ("TSF") statements are being filed pursuant to General Information Section 3 of PSC Nos. 87 and 88 entitled "Increase in Prices and Charges Applicable Where Service is Supplied" which provides for the reconciliation of actual tax surcharge expense as compared to the 10 month collection of the Temporary Business Tax Surcharge.

The revised statements reflect the MTA tax surcharge factors that resulted from the reconciliation process, which will be effective for February and March of 2004.

Questions regarding this filing should be directed to Susan Gallia at (607) 762-7265.

Very truly yours,

Christine M. Stratakos
Manager – Pricing & Analysis

Enclosures